AMENDED IN SENATE JUNE 8, 2016 AMENDED IN SENATE MARCH 7, 2016 AMENDED IN ASSEMBLY JANUARY 4, 2016 AMENDED IN ASSEMBLY APRIL 20, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1174

Introduced by Assembly Member Bonilla

February 27, 2015

An act to amend Sections 9882 and 9882.5 of Section 9882 of, and to add Sections 9882.6, 9882.7, 9882.8, 9882.9, and 9889.23 to, the Business and Professions Code, relating to automotive repair.

LEGISLATIVE COUNSEL'S DIGEST

AB 1174, as amended, Bonilla. Automotive Repair Act: violations: response. regulations: reports.

The Automotive Repair Act provides for the licensure and regulation of automotive repair dealers, among others, by the Chief of the Bureau of Automotive Repair under the supervision and control of the Director of Consumer Affairs. The act requires the director, on the director's initiative or in response to a complaint, to investigate a violation of the act, or of any regulation adopted pursuant to the act, by any automotive repair dealer, automotive technician, or employee, partner, officer, or member of any automotive repair dealer. The act authorizes the director to adopt and enforce the rules and regulations that the director determines are reasonably necessary to carry out the purposes of the act and declaring the policy of the bureau, including a system for the issuance of citations pursuant to a specified law. *The act, except as*

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specified, makes a violation of any requirement of the act by any person punishable as a misdemeanor.

This bill would clarify that the specified law under which the director may adopt and enforce rules and regulations under the Automotive Repair Act authorizes any board, bureau, or commission within the Department of Consumer Affairs to establish, by regulation, a system for the issuance to a licensee of a citation when the licensee is in violation of the applicable licensing act or any regulation adopted pursuant thereto. The bill would require the director to publicly post on the bureau's Internet Web site the findings of, and specified information related to, each investigation completed by the director in response to a complaint.

This bill would require the bureau to adopt regulations regarding the bureau's policies and procedures for handling complaints, investigations, and mediation, as specified. The bill would require the bureau to track and retain data on every mediation attempted and completed by the bureau for each automotive repair dealer, including, but not limited to, the type of complaint being mediated. The bill would require the bureau to submit a report to the Legislature by January 1, 2018, and annually thereafter, that details the bureau's mediation proceedings, as specified.

This bill would require the bureau to post on its Internet Web site the name of an automotive repair dealer that has more than a certain number of complaints, which the bureau has determined are the fault of the automotive repair dealer, filed with the bureau within a certain number of months and would require the bureau to determine by regulation the certain number of complaints and months that are the threshold amount for posting on the bureau's Internet Web site.

This bill would require the bureau to conduct a study on the feasibility, effectiveness, and impact of requiring all service workers who are employed by an automotive repair dealer to be licensed or certified by the bureau and would require the bureau to submit that report to the Legislature by July 1, 2018.

This bill would require the bureau to adopt regulations that require the bureau to issue a citation and administrative fine to an automotive repair dealer that has had more than a certain number of complaints filed against it within a certain number of months or has agreed to pay more than a certain amount in mediation within a certain number of months and would require the bureau to determine by regulation the certain number of complaints, dollar amounts, and months that will be _3_ AB 1174

the threshold for that citation and administrative fine. The bill would provide that a violation of those regulations shall not be punished as a misdemeanor.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 9882 of the Business and Professions Code is amended to read:

9882. (a) There is in the Department of Consumer Affairs a Bureau of Automotive Repair under the supervision and control of the director. The duty of enforcing and administering this chapter is vested in the chief who is responsible to the director. The director may adopt and enforce those rules and regulations that he or she determines are reasonably necessary to carry out the purposes of this chapter and declaring the policy of the bureau, including a system for the issuance of citations for violations of this chapter as specified in Section 125.9, which authorizes any board, bureau, or commission within the department to establish, by regulation, a system for the issuance to a licensee of a citation when the licensee is in violation of the applicable licensing act or any regulation adopted pursuant thereto. These rules and regulations shall be adopted pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

- (b) Notwithstanding any other law, the powers and duties of the bureau, as set forth in this article and under the Automotive Repair Act, shall be subject to review by the appropriate policy committees of the Legislature. In that review, the bureau shall have the burden of demonstrating a compelling public need for the continued existence of the bureau and its regulatory program, and that its function is the least restrictive regulation consistent with the public health, safety, and welfare. The review shall be performed as if this chapter were scheduled to be repealed as of January 1, 2019.
- SEC. 2. Section 9882.5 of the Business and Professions Code is amended to read:

9882.5. (a) The director shall on his or her own initiative or in response to complaints, investigate on a continuous basis and gather evidence of violations of this chapter and of any regulation adopted pursuant to this chapter, by any automotive repair dealer

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or automotive technician, whether registered or not, and by any employee, partner, officer, or member of any automotive repair dealer. The director shall establish procedures for accepting complaints from the public against any dealer or automotive technician. The director may suggest measures that, in the director's judgment, would compensate for any damages suffered as a result of an alleged violation. If the dealer accepts the suggestions and performs accordingly, such fact shall be given due consideration in any subsequent disciplinary proceeding.

- (b) For each investigation the director completes in response to a complaint pursuant to subdivision (a), the director shall publicly post on the bureau's Internet Web site both of the following:
 - (1) The findings of the completed investigation.
- (2) The name, business address, and, if applicable, the registration type and number, of the investigated automotive repair dealer, automotive technician, or employee, partner, officer, or member of an automotive repair dealer.
- SEC. 2. Section 9882.6 is added to the Business and Professions Code, to read:
- 9882.6. (a) The bureau shall adopt regulations regarding the bureau's policies and procedures for handling complaints, investigations, and mediation.
- (b) The regulations shall include, but not be limited to, all of the following:
 - (1) How a complaint is to be filed with the bureau.
 - (2) How a complaint is to be investigated by the bureau.
- (3) How mediation is used by the bureau. The regulations regarding mediation shall clearly identify when mediation is used, how mediation is implemented by the bureau, and how mediation data is collected and reported by the bureau.
- SEC. 3. Section 9882.7 is added to the Business and Professions Code, to read:
- 9882.7. (a) The bureau shall track and retain data on every mediation attempted and completed by the bureau for each automotive repair dealer, including, but not limited to, all of the following:
 - (1) The type of complaint being mediated.
- 38 (2) The remedy or remedies sought and obtained in mediation, including, but not limited to, restitution, refund, work to be redone

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at no charge, bill adjustments, returns or exchanges, and the dollar amount of any remedy, if applicable.

- (3) The number of complaints where mediation was attempted but where no remedy was reached and the number of complaints where mediation was successful.
- (b) The bureau shall submit a report to the Legislature by January 1, 2018, and annually thereafter, that details the bureau's mediation proceedings. The report shall include, but not be limited to, the data in subdivision (a).
- (c) The report shall be submitted pursuant to Section 9795 of the Government Code.
- SEC. 4. Section 9882.8 is added to the Business and Professions Code, to read:
- 9882.8. (a) The bureau shall post on its Internet Web site the name of an automotive repair dealer that has more than a certain number of complaints, which the bureau has determined are the fault of the automotive repair dealer, filed with the bureau within a certain number of months.
- (b) The bureau shall determine by regulation the certain number of complaints and months that are the threshold amount for posting on the bureau's Internet Web site provided for in subdivision (a).
- SEC. 5. Section 9882.9 is added to the Business and Professions Code, to read:
- 9882.9. (a) The bureau and the Department of Consumer Affairs shall conduct a study on the feasibility, effectiveness, and impact of requiring all service workers who are employed by an automotive repair dealer to be licensed or certified by the bureau.
- (b) The bureau and the department shall submit the study required by this section to the Legislature by July 1, 2018.
- (c) The study shall be submitted in compliance with Section 9795 of the Government Code.
- SEC. 6. Section 9889.23 is added to the Business and Professions Code, to read:
- 9889.23. (a) The bureau shall adopt regulations that require the bureau to issue a citation and administrative fine to an automotive repair dealer that has had more than a certain number of complaints filed against it within a certain number of months or has agreed to pay more than a certain amount of dollars in mediation within a certain number of months.

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- (b) The bureau shall determine by regulation the certain number of complaints, dollar amounts, and months that will be the threshold for the citation and administrative fine provided for in subdivision (a).
- 5 (c) Notwithstanding any law, violation of the regulations 6 adopted pursuant to this section shall be punished only by a civil 7 administrative fine and shall not be punished as a misdemeanor 8 pursuant to Section 9889.20.